

IHCDA has made changes to 2016 HOME Rental and Homeownership Policies based upon public comments and feedback. A summarization of key changes are below.

1. To allow for applicants to determine if they have been awarded AHP funding through the Federal Home Loan Bank prior to applying for HOME funding through IHCDA, the application deadline has been moved back to August 17<sup>th</sup>, 2016.
2. The fee for HOME applications has been reduced to \$250 per application. If the applicant applies, and is certified a Community Housing Development Organization (CHDO) this check will be refunded.
3. The Physical Inspections policy has been updated to clarify the timing of inspections. All IHCDA-assisted units must be inspected twice during the award period. The first inspection will occur when 50% of the funds drawn for single site projects, or when half the units are complete for scattered site projects. The second inspection will be conducted upon completion of the construction for the award. Site visits during construction may be conducted to monitor progress of all projects. The IHCDA Inspector will conduct the physical inspections.
4. Language has been included to re-assign funding if funds remain in either the homebuyer or rental allocations after a given funding round, and dependent upon demand for that funding.
5. HOME funds awarded and committed within the past six months are excluded from the 25% expenditure policy.
6. The subsidy limitations per unit have been increased by 10% from the 2015 to the 2016 application policy. They are as follows:

Bedroom Size	Per Unit Subsidy Limit
0	\$60,000
1	\$68,000
2	\$83,000
3	\$106,000
4+	\$116,000

7. The pro-forma has been changed to allow the management fee to escalate with income rather than expenses.
8. Site control documentation now requires evidence of a purchase option or agreement that expires no less than 30 days subsequent to the award announcement date.

9. Census tract income level will be based upon the Federal Financial Institutions Examination Councils' (FFIEC) determination.
10. The smoke free rental policy has been clarified to be only be "smoke free" and not tobacco/nicotine free policy.
11. The total number of potential points for "Predevelopment Activities" has been decreased to three points, and preliminary plans added to the list of completed predevelopment activities permissible under the category.
12. To garner and support CHDO capacity, CHDOs can be eligible for a second year of CHDO Operating Support. CHDOs funded within the past 12-24 months can apply for additional supplemental operating support of up to \$25,000, if they have met the following criteria:
  - Have begun construction within the first 12 months of the executed agreement with IHCD;A;
  - Have drawn a minimum of 25% of the IHCD;A housing development award;
  - Have drawn 100% of the original CHDO Operating Support award.

CHDO Operating Support cannot exceed to greater of \$50,000 within one fiscal year.